

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 3732 - HB 3800**

February 28, 2012

**SUMMARY OF BILL:** Defines “agricultural products” and “Tennessee bidder” relative to the preference procedures for state procurements. Expands current preferences to include a preference for Tennessee bidders that is not more than five percent of the lowest responsive and responsible bid.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$849,600**

Assumptions:

- According to the Department of General Services (TDGS), the Department spent \$11,629,556 on contract payments to Tennessee vendors in FY10-11.
- TDGS spent \$16,992,076 on contract payments to out-of-state vendors in FY10-11.
- The five percent preference allowance for state contracts results in a recurring increase in state expenditures of \$849,600 (\$16,992,076 out-of-state vendors x 5.0%).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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